

RSPO

RSPO NOTIFICATION OF PROPOSED NEW PLANTING

This notification shall be on the RSPO website for 30 days as required by the RSPO procedures for new plantings (<http://www.rspo.org/?q=page/535>). It has also been posted on local on-site notice boards.

Date of notification:

Tick whichever is appropriate

| | |
|-------------------------------------|--|
| <input type="checkbox"/> | This is a completely new development and stakeholders may submit comments. |
| <input checked="" type="checkbox"/> | <i>This is part of an on-going planting and is meant for notification only.</i> |

COMPANY : GOODHOPE ASIA HOLDINGS, Ltd.
SUBSIDIARY (If any) : PT AGRO BUKIT
RSPO Membership No : 1-0175-14-000-00

Location of proposed new planting:

Company name : PT Agro Bukit (South Kalimantan)
Address : Jl. Pangeran Antasari II No. 26, Sampit, Central Kalimantan
Location : Kotawaringin Timur Regency, Central Kalimantan Province, Indonesia.
Contact Person : Wilton Simanjuntak
Telephone : Phone: +62-21-52892260 Fax: +62-21-52892259
Email : wiltons@goodhope-id.com
Deed in Corporation : Notary Muhammad Hanafi, S.H. No. 8 dated 12 Agustus 2004
Capital Status : PMA (Penanaman Modal Asing)/ Foreign Investment Company
Status Business Land : 1. Location permits from Bupati of Tanah Bumbu Regency: No. 309 dated 31 August 2009 (± 5.175 ha); No. 310 dated 31 August 2009 (± 4.300 ha); No. 311 dated 31 August 2009 (± 7.735 ha); No. 188 dated 27 march 2012 (± 1.800 ha).
2. Ijin Usaha Perkebunan/IUP (*Operational Plantation Permit*), 313/2009 and 314/2009, dated 31th August 2009 ($\pm 19,010$ ha).
3. Ijin Usaha Perkebunan/IUP (*Operational Plantation Permit*) Revised: No. 188.45/592/DISHUTBUN/2013, dated 21/10/2013 from Bupati of Tanah Bumbu Regency ($\pm 19,010$ ha).
4. The process of Land Title Permit (HGU/ Hak Guna

Usaha) on-going process by BPN and recommendation of Panitia "B" No. 01/RIS-HGU/2014 was approved.

5. SEIA (AMDAL) Permit No. 222 Year 2009 dated 22 July 2009 from Bupati of Tanah Bumbu Regency.

Geographical Position
Surrounding Entities

115°40'0" - 115°45'0" E and 3°25'0" - 3°30'0" S

North : Inhutani Industrial Plantation Forest and Forest Production

East : Community Land Farming/Plantation and villages

South : Forest Production, Forest Conversion Production, PT BIB, ex PT Kodeco Forest Production

West : Forest Production and Forest Limited Production

Location of the company and proposed new planting area (1.234,48 ha) which will be commenced since 2015 - 2018 as described in the map below:



Figure 1. Location of PT Agro Bukit (South Kalimantan) in Indonesian Country

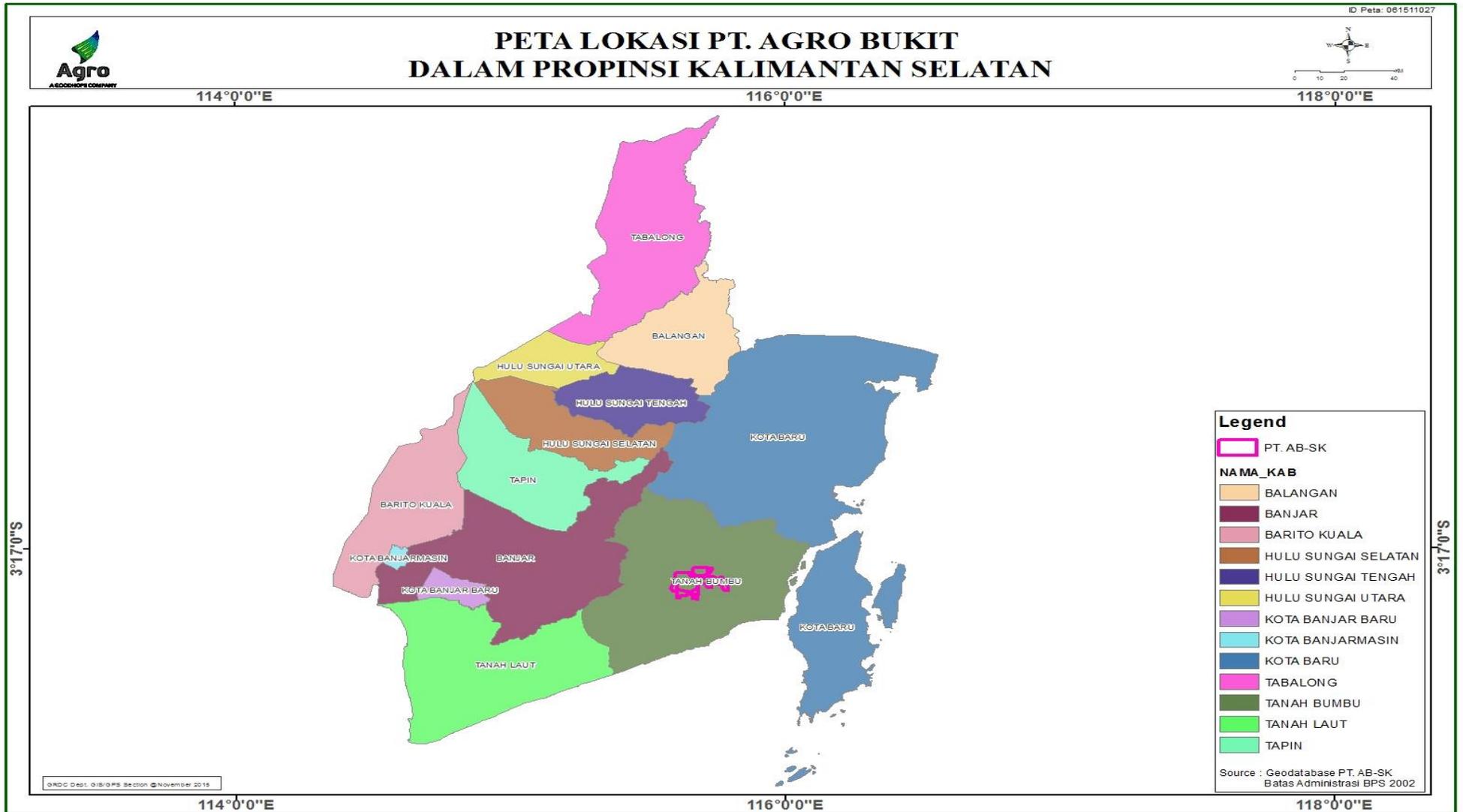


Figure 2. Location of PT Agro Bukit (South Kalimantan) in South Kalimantan Province

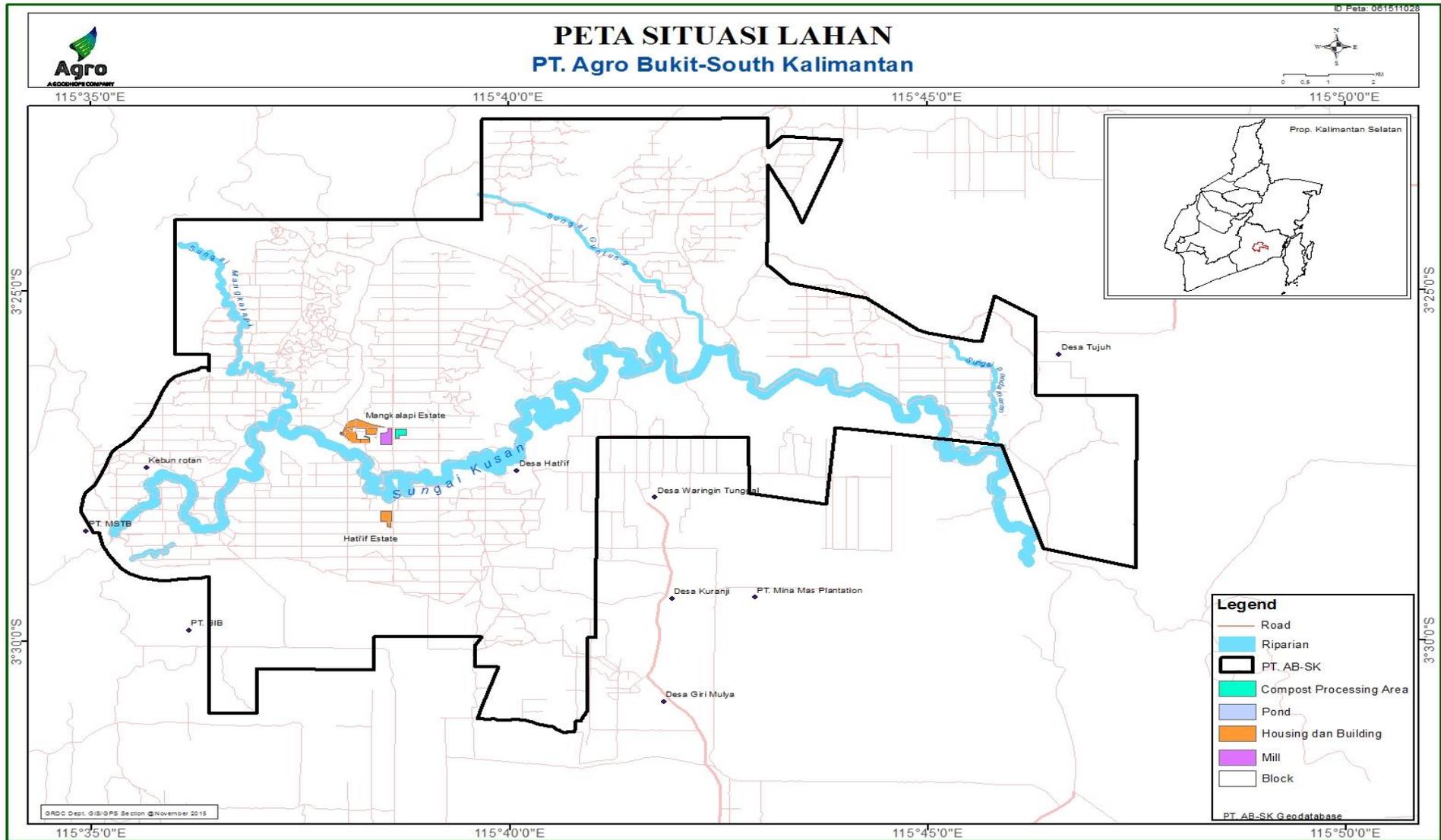


Figure 3. Location of PT Agro Bukit (South Kalimantan) and surrounding entities

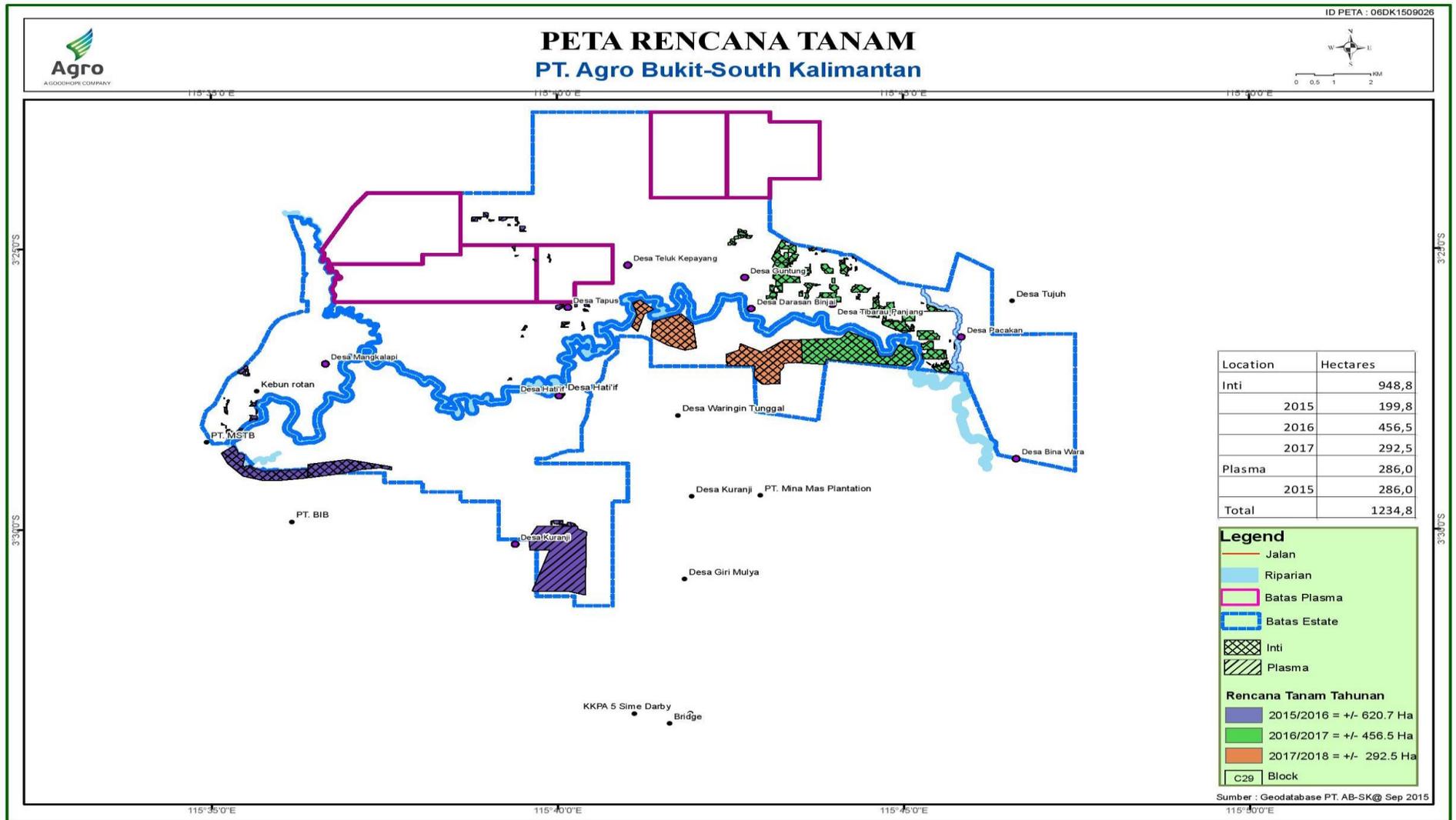


Figure 4. Location of New Planting and proposed New Planting areaof PT Agro Bukit (South Kalimantan)

1. SUMMARY OF SEI ASSESSMENT

Based on the Focus Group Discussion (FGD) process with the village community, there are some social issues that have been arisen related to the development of PT. Agro Bukit (South Kalimantan). The identified social issues are showed in the following table :

Table 1. The identified social Issues/Impacts through assessment process

| No. | Social Issue | Description |
|-----|------------------------------------|--|
| 1. | Land Tenurial | <ul style="list-style-type: none">• Land ownership of the society getting smaller as a result of land compensation and management of PT. PT. Agro Bukit (South Kalimantan)• Potential land conflict between community may be occurred as the result of unclear village boundaries• Unclear concept and realization of plasma program for the land that had been compensated by company |
| 2. | Environmental | <ul style="list-style-type: none">• Most of surrounding villagers of PT. Agro Bukit (South Kalimantan) stated that the establishment of oil palm plantation by PT. Agro Indomas would be reducing availability and quality of ground, lake and river water.• Ambient• Erosion• Biodiversity |
| 3. | Socio Economics | <ul style="list-style-type: none">• Job opportunities• Accessibility |
| 4. | Socio Cultural | <ul style="list-style-type: none">• Acculturation has occurred between indigenous (Dayak), Banjar and immigrant community and all of the people live harmoniously. |
| 5. | Regional and Community Development | <ul style="list-style-type: none">• Local community expect the company to provide clean water facilities and improve village public facilities and educational facilities• Local community perceive a positive impact from PT. Agro Bukit (South Kalimantan) for better road accessibility |

Analysis of Stakeholders Interest

Stakeholders that associated with PT. Agro Bukit (South Kalimantan) can be classified into three groups, i.e. primary direct stakeholders who received direct benefits, primary indirect stakeholders who received indirect benefits and secondary stakeholders that have interest towards PT. Agro Bukit (South Kalimantan).

The primary direct stakeholders, include internal corporate and local level, consist of: employees, indigenous people and village level. The primary indirect stakeholders consist of service providers for business opportunity, community's plantation for better accessibility and local government for the income of PT. Agro Bukit (South Kalimantan) . The secondary stakeholders that have interest towards PT. Agro Bukit (South Kalimantan) included university and international communities.

2. SUMMARY OF HCV ASESSMENT

The HCV development and preparation of management and monitoring plans started from 2008 by preliminary assessment in cooperation with EM&M Consultants. The preliminary assessment showed the presence of HCV with no primary forest and with no any peat land in PT Agro Bukit, then in 2009 PT. Agro Bukit (South Kalimantan) continued the assessment by independent consultants from Bogor

Agriculture University (IPB), one of the RSPO accredited assessor. The assessment conducted from October 2009. From that assessment identified six types of HCV ie. HCV 1 (HCV 1.1, HCV 1.3), HCV 3, HCV 4 (HCV 4.1, HCV 4.2), and HCV 6. The size of HCV area of PT. Agro Bukit is 1084.06 ha, with detailed information as in the following table.

Table 2. HCV Areas Identified in PT. Agro Bukit (South Kalimantan)

| HCV's | Component | HCV exist | HCV Area | Area |
|--------------|--|------------------|---|-------------|
| HCV 1.1 | Areas that Contain or Provide Biodiversity Support Function to Protection or Conservation Areas. | Present | Riparian i.e: Kusan River, Guntung River, Mangkalapi River | 1.018,52 |
| HCV 1.2 | Critically Endangered Species | Absent | | |
| HCV 1.3 | Areas that Contain Habitat for Viable Populations of Endangered, Restricted Range or Protected Species | Present | Riparian: Kusan River, Pendamaran River, Mangkalapi River, Karst Ecosystem Hill: Taliud Hill and Sawar Hill | 158,68 |
| HCV 1.4 | Areas that Contain Habitat of Temporary Use by Species or Congregations of Species | Absent | | |
| HCV 2.1 | Large Natural Landscapes with Capacity to Maintain Natural Ecological Processes and Dynamics | Absent | | |
| HCV 2.2 | Areas that Contain Two or More Contiguous Ecosystems | Absent | | |
| HCV 2.3 | Areas that Contain Representative Populations of Most Naturally Occurring Species | Absent | | |
| HCV 3 | Rare or Endangered Ecosystems | Present | Karst Ecosystem: Taliud Hill and Sawar Hill | 42,66 |
| HCV 4.1 | Areas or Ecosystems Important for the Provision of Water and Prevention of Floods for Downstream communities | Present | Riparian: Kusan River, Guntung River, Mangkalapi River, Pendamaran River, Pal-1 Lake/Pool | 1.041,39 |
| HCV 4.2 | Areas Important for the Prevention of Erosion and Sedimentation | Present | Karst Ecosystem: Taliud Hill and Sawar Hill | 42,66 |
| HCV 4.3 | Areas that Function as Natural Barriers to the Spread of Forest or Ground Fire | Absent | | |
| HCV 5 | Natural Areas Critical for Meeting the Basic Needs of Local People | Absent | | |

| | | | | |
|------------------------|---|---------|--------------------|-----------------|
| HCV 6 | Areas Critical for Maintaining the Cultural Identity of Local Communities | Present | Guru Dupri Cametry | 0,01 |
| TOTAL HCV AREAS | | | | 1.084,06 |

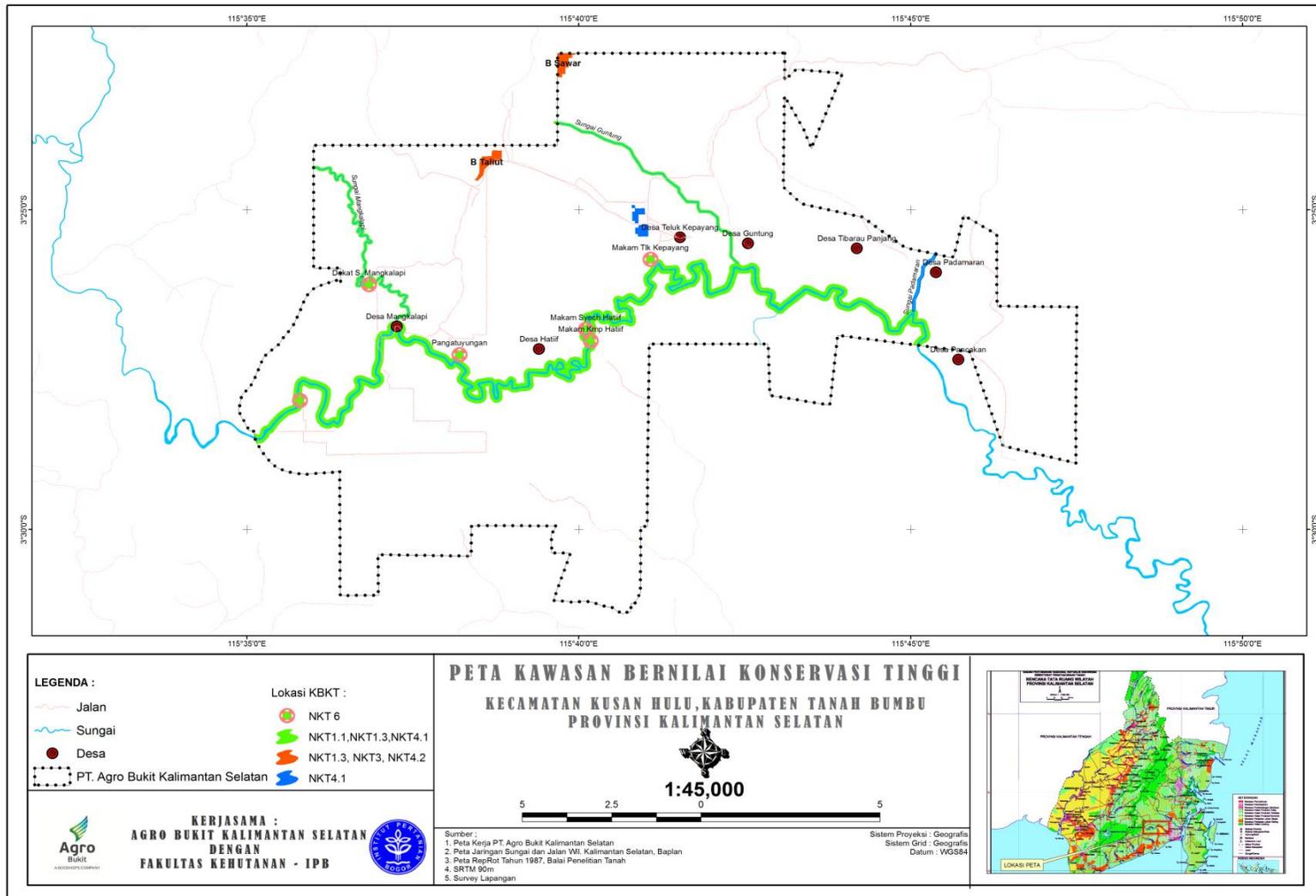


Figure 5. Map of PT Agro Bukit (South Kalimantan) HCV Area based on Assessment Result

3. SUMMARY OF PLANS

The HCV and SIA Assessment of PT. Agro Bukit- (South Kalimantan) were prepared by Assessor from Faculty of Forestry, Institut Pertanian Bogor (IPB). The team was consist of 8 (Eight) assessors, 6 (six) are RSPO Approved assessors and led by Ir. Nyoto Santoso, MS. The HCV and SEIA consultant addressed at Faculty of Forestry, Institut Pertanian Bogor (Bogor Agriculture University), IPB Darmaga Campus Bogor, Bogor Regency – West Java Province Indonesia 16001 (Phone: 62-251- 621947, Fax: 62-251-6219470).

Table 3. Team members of HCV and SEIA Assessor

| No | Expert Name | Position/Expertise | Status |
|----|-------------------------------|------------------------|------------------|
| 1 | Ir. Nyoto Santoso, MS | Team Leader | Approved by RSPO |
| 2 | Ahmad Faisal Siregar, S. Hut. | Social Expert | Approved by RSPO |
| 3 | Ir. Yohannes | Social Expert | |
| 4 | Rahmi Oktarina, S.Hut. | Social Expert | |
| 5 | Ir. Jarwadi Budi Hernowo, MS | Wildlife Ecology | Approved by RSPO |
| 6 | Ir. Heru B. Pulunggono, MSc. | Environmental Services | Approved by RSPO |
| 7 | Eko Adhiyanto, S.Hut. | Flora Ecology | Approved by RSPO |
| 8 | Iing Nasihin, S.Hut, Msi. | Flora Ecology and SIG | Approved by RSPO |

Summary from SEIA Management and Monitoring Plan

The study of Social Impact Assessment (SIA) identified negative and positive impacts on the environment and surrounding community of PT Agro Bukit (South Kalimantan). The summary of preparation and management plans on SIA are as follows:

Table 4. The summary of social management and monitoring plans of PT Agro Bukit (South Kalimantan)

| No | Program | Activity |
|----|---|--|
| 1. | Land Tenurial conflict mitigation | <ul style="list-style-type: none"> • Boundaries Demarcation • Socialization • SOP drafting for solving land compensation conflict • Precautionary Solving for land compensation conflict • Participatory land mapping • Socialization and Advocation • Facilitation for village boundaries decision with local government |
| 2. | Improving family education quality for employee and local community | <ul style="list-style-type: none"> • Schooling and learning motivation inventory that affecting to the low educational level in the local community • Provide Scholarship for underprivileged and achievement students • Provide a non-formal education • Develop educational facility • Provide a honorary teacher for local school |
| 3. | Improving employee and local community health quality | <ul style="list-style-type: none"> • Develop health facility for the employee and local community • Provide a medical personnel • Establish a clean water program • Environmental education • Provide an environmental sanitation facility |
| 4. | Infrastructure | <ul style="list-style-type: none"> • Improvement the infrastructure of roads and bridges |

| | | |
|-----|---|--|
| | | <ul style="list-style-type: none"> • Provide an electricity generator |
| 5. | Community engagement | <ul style="list-style-type: none"> • Training and education of Agriculture, plantation, farm and fisheries cultivation • Develop an alternative livelihood • Local community agriculture intensification • Open a business opportunity for local community |
| 6. | Environmental pollution management | <ul style="list-style-type: none"> • Water and soil conservation • Environmental education |
| 7. | Smallholder | <ul style="list-style-type: none"> • Smallholder program realization |
| 8. | Build communication and network with all related stakeholders | <ul style="list-style-type: none"> • Regular meeting with all stakeholders • Publication on local mass media about company social activities |
| 9. | 3 R Campaign (reuse-reduce-recycle) | <ul style="list-style-type: none"> • Campaigning, training and socialization about 3 R for employee and local community |
| 10. | Employment improvement | <ul style="list-style-type: none"> • Improve employee understanding and knowledge about employment regulation • Establish a Labour Organization • Improve a safety work • Provide a Personal Protective Equipment Facility |

Summary from HCV Management and Monitoring Plan

HCV Management Plan

The HCV development and preparation of management and monitoring plans started from 2008 by preliminary assessment in cooperation with EM&M Consultant. The preliminary assessment showed the presence of HCV with no primary forest and no peat land in PT Agro Bukit - South Kalimantan, then in 2009 PT. Agro Bukit (South Kalimantan) continued the assessment by independent consultants from Bogor Agriculture University (IPB), one of the RSPO accredited assessor. The assessment conducted in October 2009. From that assessment identified six types of HCV, and provides recommendation for the company in managing the HCV area present within the concession area, also to enable all the available resources to be focused, integrated and effective achieving the HCV management outcome.

The purpose of management and monitoring plan of HCV were:

1. To ensure all the identified HCV and all area that assigned as HCV are protected and managed well, so that the HCV functions are well preserved.
2. To enhance the administration and documentation of the management and monitoring in the sense that the process carried out is more systematic according to the legal aspects.

The process of the HCV preparation of management and monitoring plans for PT Agro Bukit (South Kalimantan) was based on the structure of strategy mapping. In strategy map, the process were all focused on three fields under the management and responsibility of the plantation management, 1) Stakeholder, 2) Operation, and 3) People & Resources.

Plan for HCV Monitoring and Regular Review of Data

The basic programs and activities that fulfill the HCV management are in regular monitoring and review. The purpose of review is to measure the achievement, effectiveness, efficiencies, impact, and sustainability of the programs. Thus, the purpose of monitoring is to evaluate whether the activities run as they are expected; whether the outputs of the process are as they were projected previously; and whether the resources investments (human, fund, time) are as the they were planned.

Monitoring and review are aimed to a set of indicators as the key performance indicators and should be managed systematically, consistently, and well documented. The monitoring should be

implemented regularly and it is dependent on the classifications of the activities and the target indicator to evaluate (the detail of such activities is presented in the book of Management and Monitoring of HCV within PT Agro Bukit (South Kalimantan) concession) in five years periodical time plan, with five years for summative review and every one year for formative review.

Management and mitigation plans for threats to HCV areas

The identified basic activities which are planned to run in order to achieve the basic targets for the enhancement and maintenance of the HCV areas are:

1. Inventory and Identification of all HCV Areas and that threatents or disturbances
2. Socialization about the existence and importance of protecting HCV areas to the local communities and people around the HCV areas
3. Socialization about the existence and importance of protecting HCV areas to employee
4. Develop an SOP of management and monitoring HCV
5. Dialogue with stakeholders, especially government for increasing protecting HCV elements and areas
6. Develop organization structure for HCV management and monitoring system
7. Reduce sediment loads and river siltings by river leaching

Management plans to enhance or maintain conservation values of identified HCV Areas

The process of strategy mapping, the practical vision is defined as the basic targets. Those basic targets include five ideal states which are going to be achieved through the efforts of HCV protection and management. Those ideal states are:

1. Demarcate all of HCV areas boundaries
2. Maintain the boundary poles
3. Provide HCV signboard in all HCV areas with hunting ban to protect flora and fauna reserved include the sacred place
4. Enrichment and rehabilitation in HCV areas
5. Reserve the riparian zone

Monitoring plan of HCV

To ensure the implementation of management HCV was implemented, PT Agro Bukit also has a monitoring plan of HCV with the standard of the monitoring. The monitoring plans of HCV are :

1. Measure the intensity of HCV disturbance in HCV areas include fire hazards potential
2. Calculate and measure the most recent land cover and the development of land cover periodically
3. Monitor the development of the buffer zone condition
4. Monitor recent condition and density plant species biodiversity include protected and endangered species
5. Monitor recent condition and density of wildlife species biodiversity include protected and endangered species
6. Monitor the realization of rehabilitation activity and percentage of rehabilitation coverage area
7. Monitor the river quality periodically

Development Plan of SEIA and HCV

PT AB-SK's development plan has incorporated the findings from Social Environmental Impact Assessment (SEIA – AMDAL), HCV assessment and Social Impact Assesment for implementing the operational plans.

Development area for new plantings

The New planting area of PT AB-SK was inside of its permitted area (19.010 ha). The company start planting in 2009 and 2.301,6 ha has been planted until the end of 2009. Total new planting from 2010-2014 (3.517,6 ha) and proposed new planting for 2015/2016 – 2017/2018 (1.234,8 Ha) with no any primary forest. The process of land development and palm oil planting are the following the procedures of RSPO New Planting Procedure (NPP). Undertaken activities are land acquisitions or compensation to the land owners and as addition activity is socialization of plantation development plan or Free Prior and Informed Consent (FPIC). Detail of new planting area is shows in the following table and figure. PT AB-SK has a plan to develop plasma area that will allocated to surrounding community. The size of planned plasma areal is about 286 ha

Table 5. *PT Agro Bukit Planting during the Year 2009-2014*

| PT AB-SK Concession (Ha) | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | Total (Ha) |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------|
| 19010 | 2301,6 | 948,2 | 1717,7 | 696,5 | 136,8 | 18,4 | 5819,2 |

Table 6. Summary of proposed plantings area in PT Agro Bukit

| Plantation Area | Proposed New Planting | | | Total Proposed Mew Planting Area |
|------------------------------|------------------------------|------------------|------------------|---|
| | 2015/2016 | 2016/2017 | 2017/2018 | |
| Nucleus (Inti) | 199,8 | 456,5 | 292,5 | 948,8 |
| Scheme Smallholders (Plasma) | 286 | 0 | 0 | 286 |
| | | | | |
| Total | 485.8 | 456.5 | 292.5 | 1.234.8 |

VERIFICATION STATEMENT

PT. Agro Bukit (South Kalimantan) has opted for RSPO NPP desktop audit against relevant documents, BSI's auditor (Haeruddin) conducted desk review and discussion with management of PT. Agro Bukit (South Kalimantan) to verify and review the relevant New Planting Procedure documents started from 06th – 07 April 2015 in PT. Agro Bukit (South Kalimantan) office with no field verification. Subsequently, PT Agro Bukit prepared and submitted the correction of documents through email for verification purpose until completed by BSI's auditor on 13th October 2015. Based on review of new planting plan, it was noted that this part of an on-going planting and is meant for notification only.

The auditor conclude that the social and environmental assessment were comprehensive, detailed and professionally carried out. The management plan has incorporated the findings from Social and Environmental Impact Assessment conducted by government-approved consultants as well as the High Conservation Value assessment findings by qualified consultants, approved by RSPO.

Based on RSPO announcement related New Planting Procedure where NPP report submission after 1st August 2014 shall include the requirement of criterion 7.8 of the RSPO P & C 2013. Land Use Changes Analysis has been submitted to the RSPO on 14th November 2014 and "Identified and Estimated of Carbon Stock and Minimize Net GHG Emission Plan" submitted to the "Emission Reduction Working Group – ERWG" on 18th June 2015.

It is the opinion of BSI auditor through desk review that PT. Agro Bukit (South Kalimantan) has complied with the RSPO New Planting Procedures comes into effect 1st January 2010 and confirmed that the documented assessment reports and plans are comprehensive and compliance to RSPO New Planting Procedures.

Signed on behalf of
BSI Services Malaysia, Sdn, Bhd.



Haeruddin
Lead Assessor
Date: 13th October 2015

Signed for on behalf of
Management of PT. Agro Bukit (South Kalimantan)



Wilton Simanjuntak
RSPO Manager
Date: 13th October 2015